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TATE & LYLE

Directors' Report and Accounts



1968

TATE & LYLE, LIMITED

DIRECTORS' REPORT

AND ACCOUNTS

1968

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FINANCIAL CALENDAR

ANNUAL GENERAL MEETING will be held on 19th March, 1969.

INTEREST and DIVIDEND PAYMENTS

| | |
|----------------------------------|-------------------------------|
| 4½% Irredeemable Debenture Stock | 1st January and 1st July |
| 4¾% Debenture Stock 1968/78 | 1st June and 1st December |
| 5½% Debenture Stock 1980/85 | 1st June and 1st December |
| 7¼% Debenture Stock 1989/94 | 31st March and 30th September |
| 6¾% Unsecured Loan Stock 1985/90 | 30th June and 31st December |
| 6½% Cumulative Preference Stock | 31st March and 30th September |
| Ordinary Stock | |
| First Interim Dividend | on or about 2nd April |
| Second Interim Dividend | on or about 31st January |
| Final Dividend | on or about 2nd April |

FINANCE ACT 1965

The market values on 6th April, 1965 of Tate & Lyle stocks for the purposes of the long term capital gains tax were:—

| | |
|----------------------------------|----------|
| Ordinary Stock | 31s. 3d. |
| 6½% Cumulative Preference Stock | 18s. 0d. |
| 4½% Irredeemable Debenture Stock | 64½ |
| 4¾% Debenture Stock 1968/78 | 81½ |
| 5½% Debenture Stock 1980/85 | 85½ |

The 6¾% Unsecured Loan Stock 1985/90 and the 7¼% Debenture Stock 1989/94 were both created after 6th April, 1965.

The Company is not a close company within the meaning of the Finance Act, 1965.

NOTICE OF MEETING

Notice is hereby given that the SIXTY-SIXTH ANNUAL GENERAL MEETING of Tate & Lyle, Limited will be held at the EUROPA HOTEL, DUKE STREET, GROSVENOR SQUARE, LONDON, W.1, on Wednesday, the nineteenth day of March, 1969 at eleven-thirty o'clock in the forenoon for the following purposes:

1. To receive the Company's Accounts for the year ended 30th September, 1968, together with the Reports of the Directors and Auditors thereon.
2. To declare a final dividend on the Ordinary Stock of the Company.
3. To elect Directors.
4. To authorise the Directors to fix the remuneration of the Auditors.
5. To consider and if thought fit pass the following Resolution as an Ordinary Resolution:—

That the Authorised Share Capital of the Company be increased from £46,000,000 to £50,000,000 by the creation of a further 4,000,000 Ordinary Shares of £1 each, ranking *pari passu* in all respects with the existing 2,634,920 unissued Ordinary Shares of £1 each in the Capital of the Company, and that upon any of the said further Shares being allotted and becoming fully paid the same be converted into Ordinary Stock.

Any member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not also be a member of the Company. A prepaid form of proxy is enclosed.

By Order of the Board,

T. MARSHALL

R. I. FODEN

Secretaries

21, MINCING LANE, LONDON, E.C.3.

22nd February, 1969

In compliance with the General Undertaking which the Company has given to The Stock Exchange, London, a statement for the period of twelve months to 31st January, 1969 of all transactions of each Director and, so far as he can reasonably ascertain, of his family interests in the Ordinary Stock of the Company and any of its subsidiary companies will be available for inspection at the Registered Office of the Company, 21, Mincing Lane, London, E.C.3, during usual business hours on any weekday (Saturdays and public holidays excluded) from the date of this Notice until the date of the Meeting, and at the Europa Hotel on 19th March, 1969 from 11.00 a.m. until the conclusion of the Meeting.

Contracts of service between the Company and its Directors are determinable, without payment of compensation, within one year.

The Report and Accounts are sent to all Members and Stockholders of the Company, but only Ordinary Stockholders are entitled to attend and vote at the Meeting.

BOARD OF DIRECTORS

| | |
|--------------------|---|
| PRESIDENT..... | Sir Ian D. Lyle |
| CHAIRMAN..... | John O. Lyle |
| VICE-CHAIRMEN..... | Sir Peter Runge F. H. Tate J. O. Whitmee |
| | Lord Lyle of Westbourne M. D. Oliphant W. R. Booth J. F. P. Tate Colin Lyle A. S. Wingate-Saul Saxon Tate Colin Rowan J. E. Hobbs J. A. C. Hugill Gordon L. Shemilt The Earl of Perth Viscount Boyd of Merton |

| | |
|-----------------------------|---|
| SECRETARIES..... | T. Marshall, F.C.A. R. I. Foden, M.A. |
| ASSISTANT SECRETARY..... | A. M. Currie, F.C.I.S. |
| GROUP CHIEF ACCOUNTANT.... | R. E. Everest, F.C.A. |
| REGISTERED OFFICE..... | 21, Mincing Lane, London, E.C.3 |
| REGISTRAR & TRANSFER OFFICE | T. Mapley, Leon House, High St., Croydon, CR9 3NH |
| SOLICITORS..... | Monro, Pennefather & Co. |
| AUDITORS..... | Edmund D. White & Sons <i>Chartered Accountants</i> |

TATE & LYLE, LIMITED

CHAIRMAN'S STATEMENT

In former years, the Annual General Meeting has been considered the right occasion on which to keep stockholders, and indeed the general public, informed on matters of greater interest than are required by Statute to be included in the Directors' Report and Accounts. However, there has been an increasing interest from the Press and the investing public at large in the affairs of large companies such as ours, and this seems to tip the scales in favour of producing a statement which can be read in conjunction with the Balance Sheet, Profit and Loss Account and Directors' Report.

This statement, however, does not contain any observations on questions which apply over a wider field than that of our own industry. We shall use the occasion of the Annual General Meeting, as we have in the past, to make any observations of a more general nature which may be thought appropriate.

Stockholders at this meeting will be given any new information relating to the Group which is available and relevant and, of course, there will be the opportunity for asking questions.

Financial Position

The good results of the year have contributed to the further strengthening of the Group's financial position.

Capital and Revenue Reserves show a net increase of over £7 million. Apart from the effect of converting into sterling the balances of overseas subsidiary companies at post-devaluation exchange rates, the reserves reflect some £3 million premium on the additional ordinary capital resulting from the exercise of conversion rights attaching to the Unsecured Loan Stock, and retained profits of nearly £3 million.

These retentions have resulted from record profits of £11.3 million before tax and £8.3 million after tax and, together with the increase in long-term borrowings and in amounts set aside for future taxation, have contributed to the improvement in Net Current Assets.

It is with this background of good overall results that I comment on the trading activities of the various divisions of the Group.

Raw Sugar Production

The results of the raw sugar producing companies in the Caribbean were mixed. Caroni Limited had a good crop in Trinidad and, with a modest profit, was able to declare a welcome dividend. Mechanisation of operations in the field is proceeding steadily and the modernisation and expansion of the Ste. Madeleine factory is beginning to show a satisfactory return. Prospects for 1969 are very encouraging.

The West Indies Sugar Company in Jamaica suffered another loss. Continuation of the severe drought at Monymusk for most of the year affected operations to a serious extent, but I am glad to say that crops appear to be more promising for 1969. However, the sugar industry in Jamaica is facing serious problems. Over a year ago, the Mordecai Commission made a number of recommendations for the modernisation of the industry, mainly by mechanisation both of field operations and loading of sugar in bulk. None of these recommendations has so far been permitted by Government. Pressure from Unions for higher wages resulted in increasing costs with no compensating rise in the price of sugar, either locally or internationally. Without some change in attitude by Government a return to profitable operation will be slow.

In British Honduras, expansion has been slower than was hoped, but long-term prospects for low cost production are good.

In Central Africa, our Zambian company has successfully completed its first crop at the new raw sugar estate at Nakambala, which was formally opened by President Kaunda in May, 1968. The technical results on the estate are good, but costs at the present level of output are proving to be high and expansion will be necessary both to ensure a viable operation and to meet the rapidly rising consumption, and it is becoming increasingly apparent that there will have to be a price increase. Discussions are continuing with Government on methods of raising further capital for the necessary expansion.

The Commonwealth Sugar Agreement on which the prosperity of our raw sugar enterprises in Jamaica, Trinidad and British Honduras (but not Zambia) so largely depends was re-negotiated towards the end of last year. There was no change in the price for Negotiated Price Quota sugar, but the new terms of the Agreement give assurances of stability coupled with flexibility, in contrast to the terms of the interim Agreement which the new one replaces. The terms of the new Agreement give H.M. Government the freedom it requires to negotiate

an entry into the European Common Market, without abandoning the principle of giving an assured market to developing Commonwealth countries. Another clause of major importance is that subject to the above and certain other provisions, the Agreement shall be of indefinite duration.

The new International Sugar Agreement which came into force on 1st January, 1969 seeks to keep the world price approximately between £33 and £53 per ton c.i.f. Assuming that the Agreement is effective, income from sales to Canada by our raw sugar producing companies in the Caribbean will improve.

United Kingdom Refining

The United Kingdom refining and distribution activities of the Group had a difficult year. Results for three years can be summarised as follows:—

| | | | | | 1968 52 weeks | 1967 53 weeks | 1966 52 weeks |
|-------------------|------|----|----|----|------------------|------------------|------------------|
| Home Trade Sales | tons | .. | .. | .. | 1,478,000 | 1,537,000 | 1,544,000 |
| Export Sales | tons | .. | .. | .. | 208,000 | 368,000 | 280,000 |
| Profit before Tax | | .. | .. | .. | £3,121,000 | £5,674,000 | £3,551,000 |

The considerable movement in the export figures reflects the variation in volume of heavily subsidised foreign sugar seeking markets, and this movement accounts in large part for the fluctuations in profit. Additional and important factors, however, which resulted in the smaller returns in 1968 can be found in the measures that were taken to meet competition and also in the interference to production and distribution resulting from unofficial industrial action, especially in the Liverpool area.

Refining has now ceased at Plaistow Wharf Refinery and the whole London production, apart from Golden Syrup manufacture and some packing operations still at Plaistow, is carried out at Thames Refinery on seven day continuous working as it is in Greenock. Because of this major change in fixed assets employed in refining, all remaining assets at the Company's U.K. refineries have been revalued.

The changes involved in working routine and the reduction in working force which have resulted from the ceasing of a major refining operation have imposed strains which called for much patience and understanding from everyone concerned.

Now that the new routine has become established practice with its more intensive use of assets, the way is open to secure higher productivity of labour, and with it, both higher earnings and lower costs. Much attention is being paid to achieving this in both production and distribution, thus increasing our competitiveness in home and export markets.

The year was also marked by a severe fire which put the major part of the cube making machinery out of action for a number of months. While production was being restored, it was necessary to import continental cubes in order that the available production capacity could be used to maintain our export markets. The plant is now back in full production, but it will take a short while before stocks in the country return to normal. We were adequately covered in our insurance policies against any financial loss resulting from this catastrophe.

The results in the current year will, to some extent, depend on the effects of the International Sugar Agreement. There is some anxiety that its provisions may operate against our competitiveness in the world markets.

This adverse factor, however, is likely to be offset in other directions and results in 1969 are not expected to be very different from those of 1968.

Canada Refining

In Canada net income rose by more than 25 per cent. to a new record high level and the dividend was raised. The favourable results stemmed in part from the opportunities offered for trading in raw sugar—opportunities which may not present themselves in 1969—in part from higher output and in part through cost savings.

The Daymond Group of companies has been successfully consolidated with Canada and Dominion Sugar Company during the year. These companies which make extrusions and mouldings from plastic resins and aluminium have had a gratifying increase in sales since they were acquired. A new factory has been completed at Centralia, Ontario, and another in Calgary will commence production during March, 1969.

It is expected that we shall have another year of progress in Canada in 1969.

Rhodesia Refining

In Rhodesia the stalemate continues. The two sugar refineries at Salisbury and Bulawayo are working profitably for the domestic market, but until there is a political solution to the Rhodesian problem, our assets are frozen and we can play no part in the activities of our company there.

The United Molasses Group

The United Molasses Group has shown a further improvement over its performance in 1967. All the companies' activities produced good results. The outstanding feature was in Athel Line whose 62,000 ton oil carriers continued to be employed at exceptionally good freight rates. Income from molasses trading and the various activities such as storage, shipbuilding and investments was also at a high level.

Two developments over the year are of particular importance. On the shipping side Athel Line have extended their building programme with an order for four 23,500 ton specialist tankers. These will be employed not only in the molasses trade, but in the carriage of a wide range of chemicals, lubricating oils, vegetable oils, fats, etc., movements which will be complementary to the molasses trading routes. This new programme, combined with the three vessels totalling 51,000 tons deadweight delivered in 1968, will form the nucleus of the Athel fleet of specialist carriers of the future.

Secondly, the United Molasses Group entered into a new realm of commodity trading by establishing themselves in the international field of alcohol. This new business is complementary to the international trading, shipping and storage divisions. A recent acquisition has been the business of J. M. Mills Limited, an old-established firm of distillers and methylators.

United Molasses has made a good start in 1969, although it is not expected that profits from shipping will achieve the record level reached in 1968. New areas for expansion are being actively examined, some of which show considerable promise and will in due course add to the profitability of the Group's traditional activities.

Sugar Line

Sugar Line has benefited from a full year's operation of the two newest vessels, which is reflected in an increase of over 30 per cent. in the trading profit. These ships have proved themselves to be very satisfactory and negotiations are in hand for two sister ships as part of the continuing policy of maintaining a low cost fleet.

These ships, of 20,700 tons deadweight each, will replace the last four of the original fleet of six 10,000 tonners, and with their delivery the average age of the fleet will be reduced to less than seven years.

Engineering

During the year the engineering shops of A. & W. Smith and Mirrlees Watson in Glasgow have been operating at maximum capacity with some 92 per cent. of output being exported to more than 30 countries throughout the world. A detailed account of the activities of these companies and Tate & Lyle Technical Services appears on pages 30 to 34.

Tate & Lyle Enterprises Limited

During the year a new company, Tate & Lyle Enterprises Limited, was formed. It has three main functions:

It offers with its subsidiary company, Tate & Lyle Technical Services Limited, a wide range of services from simple advice to entire projects, not only to the sugar industry but to any industry where its experience can ensure a competent job.

Secondly, the company acts as a purchasing and forwarding department, having many years' experience of servicing the Group's overseas interests.

It is also engaged in the development of commercial uses of the sugar industry's by-products—this work has led to interest in materials for the building trade and to the formation of Uniscreeds Limited, a subsidiary which specialises in laying screeds both on floors and ceilings.

Europe

In co-operation with the staff of the French sugar company, Raffineries et Sucreries Say, studies in depth have been made, with a view to rationalising its production.

The Paris refinery has been closed and its production taken over by Nantes and Sermaize. The Paris site is

being sold for a considerable sum which will contribute towards the capital expenditure which will be needed during the next few years. The capacity of the factory at Châlons-sur-Marne has been raised to cope with increasing beet production in the Champagne area.

The long-term position of the company is likely to be affected by the outcome of the re-examination begun by the European Commission of the Community's agricultural policy. The opening moves have aroused some political excitement throughout the Community and the problems are immense. Nevertheless, the French sugar industry in general and Say in particular, are well placed to compete with the situation and we have no reason to change the views we expressed last year.

The company showed increased profits for 1968 and declared a higher dividend.

Management Services

We now have well established small central departments for staff planning, management education, operations research and long-term planning so as to provide economical and high-quality services to all sections of the Group.

The application of computers is being constantly extended. These systems provide timely analytical information for management and will control routine business operations.

Growth Prospects

The Group's objective is growth in earnings involving both a policy of expansion and an increased profitability from existing operations. It has employed McKinsey & Company, Management Consultants, to assist in designing a challenging programme for long term profit improvements.

To supplement the modest growth prospects in sugar refining we are aiming to exploit other sources of growth. Apart from such opportunities as may occur for enlarging our sugar interests, which could be substantial, we are applying the trading and distribution skills resident in the Tate & Lyle Refineries and United Molasses Groups to analogous businesses. We plan to build up the markets open to the Daymond Group of companies in Canada and to A. & W. Smith, Mirrlees Watson and Tate & Lyle Enterprises in the world sugar field. We are developing new processes and products in our Research Centre to make more profitable use of available raw materials such as molasses and bagasse.

We shall continue to acquire diverse businesses that complement existing ones as opportunity offers. Supporting and underwriting these developments are plans for general cost reduction programmes. The overall aim is a long-term growth in earnings per share.

As to the prospects for the immediate future, the improvement in the results of 1968 compared with those of 1967 was almost spectacular. It was due, at least in part, to the exceptional incidence of high freight rates and, to a lesser extent, to devaluation. Equivalent factors have not yet arisen during this year. Nevertheless there are some favourable indications, notably in raw sugar production and in Canada.

Appreciation

Everything that has been achieved in past years, not least in the year now under review, and all that we look forward to achieving in the years ahead has depended and will depend on the loyalty and enthusiasm of all who serve the Group throughout the world. These qualities we enjoy in good measure and I extend my thanks to all.

JOHN O. LYLE
Chairman

TATE & LYLE, LIMITED

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting their Report and the Accounts for the financial year ended 30th September, 1968.

PRINCIPAL ACTIVITIES

The principal activities of the Group consisted of the growing of sugar cane and production of raw sugar; the manufacture, sale and distribution of refined sugar; trading in molasses; the shipping of raw and refined sugar, molasses and other commodities; the manufacture of sugar machinery and the provision of technical consultancy services.

ANALYSIS OF PROFIT AND TURNOVER

| | Profit before Tax | | Turnover | |
|---|-------------------|---------------|-----------------|-----------------|
| | 1968 £000 | 1967 £000 | 1968 £000 | 1967 £000 |
| Production of Raw Sugar: | | | | |
| West Indies and British Honduras | 98 | (688) | 20,669 | 17,104 |
| Refining and Distribution: | | | | |
| United Kingdom | 3,121 | 5,674 | 127,166 | 115,814 |
| Canada | 3,691 | 2,282 | 18,672 | 15,628 |
| Africa | 402 | 347 | 6,064 | 5,887 |
| Molasses Trading, Storage and Distribution | 1,923 | 1,910 | 36,835 | 28,800 |
| Shipping | 3,820 | 1,683 | 11,652 | 8,210 |
| Engineering and Miscellaneous: | | | | |
| United Kingdom | 313 | 271 | 9,708 | 5,448 |
| Overseas | 53 | 34 | 2,484 | 37 |
| | <u>13,421</u> | <u>11,513</u> | | |
| <i>Deduct:</i> | | | | |
| Holding Company's Charges: | | | | |
| Finance | 1,347 | 1,356 | | |
| Administration | 765 | 649 | | |
| | <u>2,112</u> | <u>2,005</u> | | |
| Group Profit before Taxation | <u>£11,309</u> | <u>£9,508</u> | | |
| | | | <u>233,250</u> | <u>196,928</u> |
| <i>Deduct:</i> Amount included for Inter-Group services | | | 4,491 | 3,334 |
| Total Turnover | | | <u>£228,759</u> | <u>£193,594</u> |
| Aggregate value of goods exported from the United Kingdom | | | <u>£17,708</u> | <u>£15,230</u> |

The Zambia Sugar Company Limited has changed its accounting date from 30th September to 31st March so that its accounting year will in future include the financial results of raw sugar produced from the new estate for a full cane sugar harvest period. The 1968 figure, therefore, includes only six months profit for that company, £89,000, compared with twelve months for 1967, £84,000.

Interest payable by the Parent Company to its subsidiary companies has now been eliminated on consolidation, the figures for 1967 being appropriately adjusted.

Engineering and Miscellaneous includes £20,000 being the profit of the Daymond Group of companies in Canada for the period of nine and a half months to 31st July, 1968.

The trading profits for 1968 were affected by the devaluation of sterling in November, 1967. Included therein are non-recurring realised profits of £1,023,000 arising from devaluation.

Total turnover represents the amount receivable by the Group in the ordinary course of business for goods sold, and services provided outside the Group. Inter-Group sales of materials are included only where further processing is necessary.

TAXATION

The total charge for taxation in 1968 was £2,980,000 compared with £4,006,000 the year before.

The main reason for the 1968 charge being disproportionately low in relation to the profit of the period was the result of taking credit for balancing allowances arising on plant which became redundant at the Plaistow refinery consequent upon the concentration of refined sugar production at the other U.K. refineries. These balancing allowances amounted in terms of tax to £1,553,000.

Full advantage has been taken of the provisions for Group Relief in the Finance Act, 1967.

AVAILABLE PROFIT AND DIVIDENDS

| | 1968 £000 | 1967 £000 |
|--|---------------|--------------|
| Profit attributable to Tate & Lyle, Limited after charging taxation | 7,120 | 4,951 |
| Retained in the accounts of subsidiary companies.. | 859 | (247) |
| | <u>6,261</u> | <u>5,198</u> |
| Transferred to Capital Reserve..... | 200 | — |
| Allocated to General Reserve..... | 1,800 | 1,350 |
| | <u>2,000</u> | <u>1,350</u> |
| | 4,261 | 3,848 |
| Dividends paid and proposed—gross: | | |
| On the 6½ per cent. Cumulative Preference Stock | 156 | 156 |
| On the Ordinary Stock: | | |
| First Interim of 2 per cent..... | 819 | 733 |
| Second Interim of 6 per cent..... | 2,458 | 2,201 |
| Final of 2 per cent. now recommended by the Directors..... | 820 | 734 |
| | <u>4,253</u> | <u>3,824</u> |
| Total dividends paid and proposed—gross..... | | |
| Balance to be added to the revenue surplus of Tate & Lyle, Limited..... | £8 | £24 |
| | <u>£8</u> | <u>£24</u> |
| The amount of net profit distributed to members, compared with that retained in the Group is:— | | |
| | 1968 £000 | 1967 £000 |
| | | % |
| To outside shareholders of subsidiary companies.... | 558 | |
| To stockholders of Tate & Lyle, Limited after deducting Income Tax..... | 2,499 | |
| | <u>3,057</u> | 37 |
| Income Tax payable on dividends..... | 1,754 | 21 |
| Profit retained: | | |
| In the accounts of subsidiary companies: | | |
| Share of Minority Interests..... | 651 | |
| Parent Company's share..... | 859 | |
| In the accounts of Tate & Lyle, Limited..... | 2,008 | |
| | <u>2,867</u> | |
| | 3,518 | 42 |
| | <u>£8,329</u> | <u>100</u> |
| | | |
| | 1,318 | 24 |
| | <u>£5,502</u> | <u>100</u> |

SHARE AND LOAN CAPITAL

As mentioned in last year's Report, the Company placed on 2nd October, 1967, through J. Henry Schroder Wagg & Co. Limited an issue of £4,000,000 7½ per cent. Debenture Stock 1989/94 at a price of £97¾ per cent. The proceeds of the issue were used to repay certain short-term borrowings.

As a result of the exercise of conversion rights attaching to the 6¾ per cent. Convertible Unsecured Loan Stock 1985/90, 4,286,397 Ordinary Shares of £1 each fully paid were issued (and converted into Stock) on 14th May, 1968, to the holders of £7,396,345 of the Unsecured Loan Stock. A total of £3,483 Ordinary Stock arose from the sale of fractions, and the issued Ordinary Capital of the Company was thereby increased from £36,681,200 to £40,971,080.

A right of conversion exercisable between 15th March and 30th April, 1969, attaches to the balance of £3,157,955 6¾ per cent. Unsecured Loan Stock 1985/90 on the basis of 55 Ordinary Shares of £1 each for every £100 of Loan Stock.

FIXED ASSETS

As set out in detail in note 7 on page 20, additions to fixed assets total £12,635,000 and disposals £3,785,000. The net total of £8,850,000 can be summarised as follows:—

| | £000 | |
|--|-------|--------|
| Raw Sugar Production: | | |
| West Indies and British Honduras | 742 | |
| Zambia | 1,236 | |
| | <hr/> | 1,978 |
| Manufacture and Distribution of Refined Sugar: | | |
| United Kingdom | 1,319 | |
| Canada | 125 | |
| Africa | 97 | |
| | <hr/> | 1,541 |
| Molasses Storage and Distribution | | 311 |
| Shipping | | 2,924 |
| Engineering and Miscellaneous: | | |
| On acquisition of the Daymond Group of companies | 2,004 | |
| Other additions less disposals | 92 | |
| | <hr/> | 2,096 |
| | | <hr/> |
| | | £8,850 |

In view of the changes made during the year in refining facilities in the United Kingdom, the Directors considered it advisable to revalue the fixed assets of the Tate & Lyle Refineries Group. For buildings and plant the valuation was made by the Directors using independent cost indices, (making due provision in respect of any redundant assets) and for land based on, but not exceeding, a valuation made by Chartered Surveyors. The net result was a credit to Capital Reserve of £384,000.

Following the discontinuance of its beet sugar operations, Canada and Dominion Sugar Company Limited has written down the book value of that division's fixed assets to an amount which, in the opinion of the management, will result in neither profit nor loss on their eventual disposal. As a result, fixed assets have been reduced by £1,451,000 and cumulative depreciation by £678,000, and these figures are reflected in the column "Revaluation and other adjustments" in note 7 on page 20. The net figure of £773,000 of which the Parent Company's share is £436,000, has been written off against capital reserves.

INTEREST IN LAND

The Directors are of the opinion that a revaluation of the Group's interest in land would show the market value to be in excess of the book value, but that the excess would not be significant in relation to the value of the Group's assets as a whole.

CONTRIBUTIONS FOR POLITICAL AND CHARITABLE PURPOSES

| | |
|--|---------|
| Political | £ |
| Payments to various Conservative Associations | 7,788 |
| Other payments regarded as being within the provisions of Section 19 of the Companies Act, 1967: | |
| British United Industrialists | 6,250 |
| Aims of Industry—Special contribution in connection with the Transport Bill | 2,500 |
| The Economic League | 1,575 |
| | <hr/> |
| | £18,113 |
| Charitable | |
| Donations to United Kingdom charitable organisations | £78,052 |

DIRECTORS

The names of the people who were Directors of the Company at any time during the financial year are listed on page 4.

The Directors retiring under Article No. 103 are Sir Peter Runge, Mr. M. D. Oliphant, Mr. W. R. Booth, Mr. A. S. Wingate-Saul, The Earl of Perth and myself. Being eligible, we offer ourselves for re-election.

Particulars of Directors' shareholdings, as required by the Companies Act 1967 are contained in the appendix to this report.

At no time during the last financial year had any Director of the Company an interest, either directly or indirectly in any contract requiring disclosure under Section 16(1) (c) of the Companies Act 1967, nor has the Company been a party to any arrangement to enable Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any body corporate.

EMOLUMENTS

Directors

Pursuant to Companies Act 1948, Section 196

| | 1968 | 1967 |
|--|-----------------|-----------------|
| | £ | £ |
| Fees | 9,000 | 9,500 |
| Fixed remuneration and sundry benefits | 124,437 | 85,847 |
| Remuneration geared to profits | 111,389 | 131,106 |
| Pension fund contributions | 43,787 | 50,538 |
| | <u>£288,613</u> | <u>£276,991</u> |
| Pensions in respect of past Directors | <u>£15,530</u> | <u>£9,191</u> |

Pursuant to Companies Act 1967, Sections 6 and 7

| | | |
|--------------------------|---------|---------|
| Chairman | £21,336 | £18,936 |
| Other Directors | Number | Number |
| Up to £2,500 | 3 | 3 |
| £2,501 to £5,000 | — | — |
| £5,001 to £7,500 | — | 1 |
| £7,501 to £10,000 | 1 | 1 |
| £10,001 to £12,500 | 1 | 2 |
| £12,501 to £15,000 | 5 | 9 |
| £15,001 to £17,500 | 5 | — |
| £17,501 to £20,000 | 1 | 1 |

One Director has waived his right to receive emoluments of an aggregate amount of £6,000 (1967 £6,000).

Other Employees

Pursuant to Companies Act 1967, Section 8

| | | |
|--------------------------|---|---|
| £10,001 to £12,500 | 1 | — |
| £12,501 to £15,000 | 2 | — |

WAGES AND NUMBER OF EMPLOYEES

Pursuant to Companies Act 1967, Section 18

| | | |
|--|-------------|-------------|
| (i) Average number of persons employed by the Group in the United Kingdom | 10,664 | 11,050 |
| (ii) Aggregate remuneration paid or payable in respect of the year to the number of employees stated above | £13,679,918 | £13,164,062 |

AUDITORS

The Auditors, Messrs. Edmund D. White & Sons, having expressed their willingness to continue in office, will be re-appointed under the provisions of Section 159 of the Companies Act, 1948, without any resolution being passed.

SPECIAL BUSINESS

An Ordinary Resolution, as set out in the Notice convening the Meeting, will be submitted for your approval. This Resolution provides for an increase in the Authorised Share Capital of the Company from £46,000,000 to £50,000,000 by the creation of 4,000,000 new Ordinary Shares of £1 each.

Should all the holders of the outstanding Convertible Unsecured Loan Stock exercise their final option of conversion into Ordinary Stock there would remain only 898,045 unissued Ordinary Shares. Your Directors consider that the Company should have available unissued Ordinary Shares somewhat in excess of this figure and therefore recommend the proposed increase. There are no immediate plans for the issue of any of these shares.

JOHN O. LYLE
Chairman

DIRECTORS' SHAREHOLDINGS at 30th September, 1968

Comparative figures for 1967, in italics, are only given when a holding has changed.

| | Tate & Lyle, Limited | | | | Canada and Dominion Sugar Company Limited | | Caroni Limited | The West Indies Sugar Company Limited |
|-------------------------|---------------------------------|----------------|---------------------------|---------------|--|------------|-------------------------------------|--|
| | Ordinary Stock £ | | 6½% Preference Stock £ | | Shares of No Par Value | | Ordinary Stock Units of 2/- each | Ordinary Shares of £1 each |
| Sir Ian D. Lyle | 57,002 | <i>119,778</i> | | | 101 | <i>616</i> | | |
| | <i>270,793</i> | <i>286,593</i> | 1,040 | | <i>300</i> | <i>140</i> | | <i>21,696</i> |
| John O. Lyle | 6,344 | | | | | | | |
| | <i>75,365</i> | <i>80,365</i> | 14,819 | <i>16,719</i> | 80 | | | |
| Sir Peter Runge | 39,099 | | | | | | 900 | |
| | <i>436,299</i> | <i>435,949</i> | 1,040 | | 31 | | | |
| F. H. Tate | 73,500 | | | | 1,000 | | 12,500 | |
| | <i>26,350</i> | <i>26,500</i> | | | | | | |
| J. O. Whitmee | 3,362 | <i>3,218</i> | | | 954 | | | |
| Lord Lyle of Westbourne | 53,000 | <i>59,000</i> | 2,600 | | | | 7,500 | |
| | <i>1,158</i> | <i>2,008</i> | <i>4,153</i> | | | | | |
| M. D. Oliphant | 20,941 | <i>16,941</i> | | | 1 | | | |
| | <i>1,400</i> | | | | | | | |
| W. R. Booth | 3,401 | <i>3,556</i> | | | | | | |
| | <i>24,000</i> | | 2,000 | | | | | |
| J. F. P. Tate | 103,504 | <i>106,114</i> | | | | | 45,000 | |
| Colin Lyle | 161,843 | | | | 300 | | | 13,762 |
| | <i>15,204</i> | | | | 80 | | | |
| A. S. Wingate-Saul | 4,393 | | | | | | | |
| Saxon Tate | 38,686 | <i>38,070</i> | | | 1,500 | | | |
| Colin Rowan | 6,200 | | | | | | 5,875 | 500 |
| | <i>961</i> | | | | | | | |
| J. E. Hobbs | 2,041 | <i>1,641</i> | | | | | | 450 |
| J. A. C. Hugill | 140 | | | | | | | 213 |
| Gordon L. Shemilt | 540 | <i>535</i> | | | 103 | | 10,000 | <i>Nil</i> |
| The Earl of Perth | 2,244 | <i>1,200</i> | | | | | | |
| Viscount Boyd of Merton | 100 | | | | | | | |

Sundry Holdings

| | | | | | |
|-------------------------|--|---------|--------|--------|-------------|
| J. O. Whitmee | Tate & Lyle, Limited 5½% Debenture Stock | | £200 | | |
| Lord Lyle of Westbourne | Caroni Limited 6% Preference Stock | | £1,475 | £167 | <i>£333</i> |
| W. R. Booth | Rhodesia Sugar Refineries Limited Ordinary Shares of 5/- each | | 400 | | |
| | The Zambia Sugar Company Limited Shares of 50 ngwee each | | 880 | | |
| The Earl of Perth | Tate & Lyle, Limited 6½% Convertible Loan Stock | | Nil | £1,800 | |
| Viscount Boyd of Merton | Tate & Lyle, Limited 4½% Debenture Stock | | | | £1,000 |

Notes: (i) Figures in blue are holdings in which a Director is interested as Trustee.

(ii) The requirements of the Companies Act, 1967, that Directors who have a joint interest shall be deemed each to have that interest, results in certain holdings above being duplicated.

TATE & LYLE, LIMITED

AND SUBSIDIARY COMPANIES

GROUP PROFIT AND LOSS ACCOUNT

for the year ended 30th September, 1968

| | Notes | 1968 £000 | 1967 £000 |
|--|-------|---------------|--------------|
| Turnover | 1 | £228,759 | £193,594 |
| Trading Profit | 2 | 13,834 | 12,193 |
| <i>Add:</i> | | | |
| Claims under West Indies Sugar Industry Rehabilitation Funds.... | 3 | 197 | 186 |
| Investment revenue | | | |
| Quoted investments | | 60 | 58 |
| Unquoted investments | | 189 | 104 |
| Profit on redemption of Debentures | | 28 | 23 |
| Profit on sale of investments | | 187 | 21 |
| | | <u>661</u> | <u>392</u> |
| | | 14,495 | 12,585 |
| <i>Deduct:</i> | | | |
| Interest on | | | |
| Debenture and Unsecured Loan Stocks | | 1,193 | 1,328 |
| Fixed loans repayable within five years | | 799 | 415 |
| Bank loans, overdrafts and other loans | | 1,711 | 1,863 |
| | | <u>3,703</u> | <u>3,606</u> |
| Capital increase and incorporation expenses | | 1 | 34 |
| Loss on disposal of fixed assets | | 109 | 115 |
| | | <u>3,813</u> | <u>3,755</u> |
| | | 10,682 | 8,830 |
| <i>Add:</i> | | | |
| Transfer from Investment Grants Equalisation | 4 | 627 | 678 |
| | | <u>11,309</u> | <u>9,508</u> |
| Profit before providing for Taxation | | | |
| <i>Deduct:</i> | | | |
| Charge for Taxation | 5 | 2,980 | 4,006 |
| | | <u>8,329</u> | <u>5,502</u> |
| Net Profit after providing for Taxation | | | |
| <i>Deduct:</i> | | | |
| Share of Minority Interests | | | |
| Dividends paid or payable | | 558 | 360 |
| Retained in the accounts of subsidiary companies | | 651 | 191 |
| | | <u>1,209</u> | <u>551</u> |
| Profit of the year attributable to Tate & Lyle, Limited | | 7,120 | 4,951 |
| <i>Deduct:</i> | | | |
| Amount dealt with in the accounts of subsidiary companies | | | |
| Debenture Stock Sinking Fund | | 38 | 37 |
| General Reserve | | 118 | 60 |
| Unappropriated profits less losses | | 703 | (344) |
| | | <u>859</u> | <u>(247)</u> |
| Profit of the year dealt with in the accounts of Tate & Lyle, Limited | | 6,261 | 5,198 |
| <i>Add:</i> | | | |
| Balance brought forward from previous account | | 58 | 34 |
| | | <u>6,319</u> | <u>5,232</u> |
| Transferred to Capital Reserve | 200 | | |
| Allocated to General Reserve | 1,800 | | 1,350 |
| | | <u>2,000</u> | <u>1,350</u> |
| | | 4,319 | 3,882 |
| Dividends to Members paid and proposed—gross | | | |
| Preference | 156 | | 156 |
| Ordinary | 4,097 | | 3,668 |
| | | <u>4,253</u> | <u>3,824</u> |
| Balance carried forward to next account | | £66 | £58 |

NOTES TO THE GROUP PROFIT AND LOSS ACCOUNT

1. TURNOVER

Total turnover represents the amount receivable by the Group in the ordinary course of business for goods sold, and services provided outside the Group. Inter-Group sales of materials are included only where further processing is necessary.

2. TRADING PROFIT

The 1968 profit includes £500,000 transferred from Provision for Renewal of Plant and Machinery which, in the opinion of the Directors, is no longer required following the closure of the sugar refining process at Plaistow Wharf refinery. The 1968 profit also includes non-recurring realized profits of £1,023,000 arising from the devaluation of sterling in November, 1967. A change in 1967 in the basis of stock valuation by one subsidiary company and in accounting procedure by another subsidiary reduced the 1967 trading profit by a net amount of £558,000.

The following items have been charged before arriving at the trading profit:

| | 1968 £000 | 1967 £000 |
|---|---------------|---------------|
| Audit fees and expenses..... | £89 | £63 |
| Depreciation of buildings..... | 860 | 791 |
| Depreciation of plant and machinery..... | 2,986 | 2,767 |
| Depreciation of ships, tugs, barges and small craft | 1,285 | 1,305 |
| Renewal of plant and machinery..... | 1,558 | 1,774 |
| | <u>£6,689</u> | <u>£6,637</u> |

3. SUGAR INDUSTRY REHABILITATION FUNDS

Of the total amount claimed during the year under the Sugar Industry Special Funds Ordinances of Jamaica and Trinidad a sum equal to 5 per cent. of the amount claimed during the immediately preceding twenty years has been credited to Profit and Loss Account and the balance has been credited to Capital Reserve.

4. INVESTMENT GRANTS

Investment Grants receivable in respect of Renewals expenditure have been credited to revenue in full. Grants receivable in respect of capital expenditure are being so credited over a period of fifteen years. The amount credited in 1967 included 2/15 of grants in respect of 1966 capital expenditure.

5. CHARGE FOR TAXATION

Applicable to the profits of the period:

| | | |
|--|---------------|---------------|
| United Kingdom—Corporation Tax..... | 1,646 | 3,706 |
| Deduct: Double Tax Relief..... | 746 | 453 |
| | <u>900</u> | <u>3,253</u> |
| Income Tax | — | 3 |
| Profits Tax..... | — | 1 |
| Overseas Tax..... | 1,897 | 1,900 |
| | <u>2,797</u> | <u>5,157</u> |
| Add: | | |
| Transferred to Taxation Equalisation Account..... | 1,816 | 406 |
| | <u>4,613</u> | <u>5,563</u> |
| Deduct: | | |
| Transferred to Taxation on Stocks; Adjustment Account..... | (169) | 988 |
| Tax at current rates on the increase during the year in the Provision for Renewals..... | 60 | 183 |
| Tax at current rates on the amount transferred from Provision for Renewals to Trading Profit (see Note 2 above)..... | (212) | — |
| Credit for balancing allowances on redundant plant arising from the closure of the sugar refining process at Plaistow Wharf refinery | 1,553 | — |
| Adjustments of taxation in respect of previous periods..... | 401 | 386 |
| | <u>1,633</u> | <u>1,557</u> |
| Net amount charged in Profit and Loss Account..... | <u>£2,980</u> | <u>£4,006</u> |

6. FOREIGN CURRENCIES

These have been converted at the rates ruling at 30th September, 1968.

TATE & LYLE, LIMITED

AND SUBSIDIARY COMPANIES

BALANCE SHEETS at 30th September, 1968

| | | 1968 | | 1967 | |
|--|-------|-------------------------|-----------------|-------------------------|-----------------|
| | | Tate & Lyle, Limited | Group | Tate & Lyle, Limited | Group |
| | Notes | £000 | £000 | £000 | £000 |
| CAPITAL EMPLOYED: | | | | | |
| ISSUED SHARE CAPITAL OF TATE & LYLE, LIMITED..... | 1 | 43,365 | 43,365 | 39,075 | 39,075 |
| CAPITAL RESERVES..... | 2 | 9,068 | 16,075 | 6,401 | 11,137 |
| REVENUE RESERVES..... | 3 | 7,616 | 13,901 | 5,808 | 11,482 |
| INVESTMENT GRANTS EQUALISATION..... | 4 | — | 2,632 | — | 1,000 |
| INTEREST OF OUTSIDE SHAREHOLDERS OF SUBSIDIARY COMPANIES..... | | — | 12,265 | — | 10,827 |
| DEBENTURE STOCKS AND FIXED LOANS..... | 5 | 18,351 | 31,427 | 21,354 | 30,928 |
| FUTURE TAXATION..... | 6 | — | 7,874 | — | 4,929 |
| | | <u>£78,400</u> | <u>£127,539</u> | <u>£72,638</u> | <u>£109,378</u> |
| REPRESENTED BY: | | | | | |
| FIXED ASSETS..... | 7 | — | 102,917 | — | 95,914 |
| INTEREST IN SUBSIDIARY COMPANIES..... | 8 | 86,686 | — | 85,194 | — |
| INVESTMENTS..... | 9 | 3,823 | 6,606 | 3,800 | 6,874 |
| DEVELOPMENT EXPENDITURE..... | 10 | — | 2,065 | — | 1,337 |
| CURRENT ASSETS..... | 11 | 244 | 72,966 | 214 | 63,949 |
| | | <u>90,753</u> | <u>184,554</u> | <u>89,208</u> | <u>168,074</u> |
| CURRENT AND DEFERRED LIABILITIES AND PROVISIONS.. | 12 | 12,353 | 57,015 | 16,570 | 58,696 |
| | | <u>£78,400</u> | <u>£127,539</u> | <u>£72,638</u> | <u>£109,378</u> |

JOHN O. LYLE *Chairman*

F. H. TATE *Vice-Chairman*

NOTES TO THE BALANCE SHEETS

1. SHARE CAPITAL OF TATE & LYLE, LIMITED

| | £000 | |
|--|--------|----------------|
| Authorised in Shares of £1 each | | |
| 6½ per cent. Cumulative Preference..... | | 2,394 |
| Ordinary..... | | 43,606 |
| | | <u>£46,000</u> |
| Issued and Converted into Stock | | |
| 6½ per cent. Cumulative Preference..... | | 2,394 |
| Ordinary | | |
| As at 30th September, 1967..... | 36,681 | |
| Issued on the exercise of conversion rights by the holders of 6¾ per cent. Convertible Unsecured Loan Stock 1985/90..... | 4,290 | |
| | | <u>40,971</u> |
| | | <u>£43,365</u> |

2. CAPITAL RESERVES

| | Share Premium Account £000 | Debenture Stock Sinking Fund £000 | General £000 | Total £000 |
|--|-------------------------------------|--|-----------------|----------------|
| TATE & LYLE, LIMITED | | | | |
| Balances at 30th September, 1967..... | 4,544 | | 1,857 | 6,401 |
| Transferred from Profit and Loss Account..... | | | 200 | 200 |
| Premium on conversion of Loan Stock..... | 3,106 | | | 3,106 |
| 7¼ per cent. Debenture discount and issue expenses..... | (150) | | | (150) |
| Devaluation of sterling and other exchange fluctuations..... | | | (489) | (489) |
| Balances at 30th September, 1968..... | <u>£7,500</u> | | <u>£1,568</u> | <u>£9,068</u> |
| GROUP | | | | |
| Balances at 30th September, 1967..... | 4,544 | 469 | 6,124 | 11,137 |
| Transferred from Profit and Loss Account..... | | 38 | 200 | 238 |
| Premium on conversion of Loan Stock..... | 3,106 | | | 3,106 |
| 7¼ per cent. Debenture discount and issue expenses..... | (150) | | | (150) |
| Surplus on disposal of investments..... | | | 96 | 96 |
| Capital grants and net surplus on disposal of fixed assets..... | | | 207 | 207 |
| Writing down of assets of beet sugar division of Canadian subsidiary | | | (436) | (436) |
| Revaluation of assets of U.K. refining subsidiary companies..... | | | 384 | 384 |
| Adjustments due to changes in the Group..... | | | (119) | (119) |
| Devaluation of sterling and other exchange fluctuations..... | | | 1,612 | 1,612 |
| Balances at 30th September, 1968..... | <u>£7,500</u> | <u>£507</u> | <u>£8,068</u> | <u>£16,075</u> |

3. REVENUE RESERVES

| | Future Crops Expenditure | Debenture Stock Redemption | General | Profit and Loss Account | Total |
|---------------------------------------|--------------------------------|----------------------------------|---------------|-------------------------------|---------------|
| | £000 | £000 | £000 | £000 | £000 |
| TATE & LYLE, LIMITED | | | | | |
| Balances at 30th September, 1967..... | | | 5,750 | 58 | 5,808 |
| Retained profit of the year..... | | | 1,800 | 8 | 1,808 |
| Balances at 30th September, 1968..... | | | <u>£7,550</u> | <u>£66</u> | <u>£7,616</u> |

GROUP

| | | | | | |
|---|---------------|-------------|----------------|---------------|----------------|
| Balances at 30th September, 1967..... | 1,018 | 227 | 18,950 | 6,568 | 26,763 |
| Retained profit of the year..... | | | 1,918 | 711 | 2,629 |
| Transferred to Taxation Equalisation Account..... | | | (650) | | (650) |
| Adjustments due to changes in the Group..... | | | (7) | 60 | 53 |
| Devaluation of sterling and other exchange fluctuations | | | 37 | 1,056 | 1,093 |
| | <u>£1,018</u> | <u>£227</u> | <u>£20,248</u> | <u>£8,395</u> | <u>£29,888</u> |

| | | | | | |
|--|--|--|--|--|----------------|
| <i>Deduct:</i> | | | | | |
| Proportion included in Capital Reserves on consolidation (1967 £15,281)..... | | | | | 15,987 |
| Balance at 30th September, 1968..... | | | | | <u>£13,901</u> |

4. INVESTMENT GRANTS EQUALISATION

| | |
|--|---------------|
| Balance at 30th September, 1967..... | 1,000 |
| Amount receivable in respect of expenditure during the year..... | 2,259 |
| Transferred to Profit and Loss Account..... | (627) |
| Balance at 30th September, 1968..... | <u>£2,632</u> |

5. DEBENTURE STOCKS AND FIXED LOANS

| | 1968 £000 | 1967 £000 |
|---|----------------|----------------|
| TATE & LYLE, LIMITED | | |
| SECURED | | |
| 4½ per cent. First Mortgage Irredeemable Debenture Stock..... | 500 | 500 |
| 4¾ per cent. Debenture Stock 1968/78..... (a) | 2,545 | 2,580 |
| 5½ per cent. Debenture Stock 1980/85..... (b) | 4,590 | 4,666 |
| 7¼ per cent. Debenture Stock 1989/94..... (c) | 4,000 | — |
| UNSECURED | | |
| 6¾ per cent. Convertible Loan Stock 1985/90..... (d) | 3,158 | 10,554 |
| Fixed Loan..... (e) | 3,558 | 3,054 |
| Carried forward..... | <u>£18,351</u> | <u>£21,354</u> |

5. DEBENTURE STOCKS AND FIXED LOANS *continued*

| | 1968 £000 | 1967 £000 |
|---|----------------|----------------|
| TATE & LYLE, LIMITED | | |
| Brought forward..... | 18,351 | 21,354 |
| SUBSIDIARY COMPANIES | | |
| SECURED | | |
| 3¼ per cent. Debenture Stock.....(f) | 405 | 450 |
| 5½ per cent. Debenture Stock.....(g) | 1,818 | 2,000 |
| 5 per cent. Serial Debentures.....(h) | 231 | — |
| 7½ per cent. Mortgage Loan.....(i) | 183 | — |
| UNSECURED | | |
| 5 per cent. Sinking Fund Debentures 1978.....(j) | 1,826 | 1,572 |
| 8½ per cent. Guaranteed Convertible Loan Stock 1982/86....(k) | 3,500 | 3,000 |
| <i>Deduct: Held within the Group.....</i> | <i>876</i> | <i>1,448</i> |
| | 2,624 | 1,552 |
| Fixed Loans.....(l) | 5,989 | 4,000 |
| GROUP TOTAL..... | £31,427 | £30,928 |

(a) Redeemable at the Company's option from 1st December, 1968, to 30th November, 1973, at £102 per cent. : from 1st December, 1973, to 30th November, 1977, at £101 per cent. and from 1st December, 1977, to 30th November, 1978, at par.

(b) Redeemable at the Company's option from 1st December, 1980, to 30th November, 1985, at par.

(c) Redeemable at the Company's option from 30th September, 1989, to 30th September, 1994, at par.

(d) Holders have the right exercisable between 15th March and 30th April, 1969 to convert their holding into Ordinary Shares of the Company as to 55 Shares for every £100 of Stock held. The Company may redeem outstanding Stock at par on 31st December, 1969, provided that by 30th April, 1969, more than 90 per cent. of the Stock has been converted, otherwise the Stock is redeemable at par at any time between 1st January, 1985, and 31st December, 1990.

(e) This represents the sterling equivalent of a loan of U.S. \$8,500,000 and is repayable on 15th June, 1972, but may be repaid earlier on payment of an additional annual charge. The rate of interest, which is currently 8½ per cent. per annum, is linked to the Euro Dollar rate and is determined annually.

(f) Redeemable at the subsidiary company's option at par until final redemption on 30th September, 1974.

(g) Repayable in equal annual instalments to 31st December, 1977.

(h) Repayable in equal annual instalments to 15th December, 1974.

(i) Repayable in equal annual instalments to 17th October, 1977.

(j) Currently redeemable at the subsidiary company's option at a premium of 2½ per cent. reducing annually until 1976 ; thereafter redemption is at par.

(k) Holders will be entitled to convert Zambian Kwacha100 of every K200 Stock held into 200 fully paid Shares of 50 ngwee each during the month of July in each of the years 1971 to 1975 inclusive. The outstanding Stock shall be redeemed in 5 instalments on 31st March in each of the years 1982 to 1986 inclusive, but may be redeemed in whole at any time after 30th March, 1982, in both cases at par.

(l) Repayable by instalments during the period 1st September, 1970, to 1st February, 1971.

Interest is at the rate of 8½ per cent. per annum..... 4,000

Repayable in equal annual instalments from 1972 to 1982

Interest is at 1 per cent. over bank rate with a minimum of 6 per cent. 1,500

Interest is at prime overdraft rate in British Honduras 489

£5,989

6. FUTURE TAXATION

| | | |
|------------------------------------|--------|--------|
| Overseas Tax..... | 118 | 156 |
| Taxation Equalisation Account..... | 7,756 | 4,773 |
| | £7,874 | £4,929 |

NOTES TO THE BALANCE SHEETS *continued*

7. FIXED ASSETS

| £000 | 30th September, 1967 | Sterling devaluation adjustments | Additions | Disposals | Revaluation and other adjustments | 30th September, 1968 |
|---|----------------------------|--|--------------|----------------|---|----------------------------|
| LAND AND BUILDINGS | | | | | | |
| FREEHOLD | | | | | | |
| Cost | 17,371 | 537 | 1,483 | (173) | (2,000) | 17,218 |
| 1948 book value | 72 | | | | | 72 |
| 1956 valuation | 310 | 52 | | | | 362 |
| 1962 valuation | 19,504 | 755 | | (27) | (14,821) | 5,411 |
| 1968 valuation | — | | | | 15,255 | 15,255 |
| | <u>£37,257</u> | <u>1,344</u> | <u>1,483</u> | <u>(200)</u> | <u>(1,566)</u> | <u>38,318</u> |
| LONG LEASE | | | | | | |
| Cost | 1,104 | 161 | 31 | (13) | (123) | 1,160 |
| 1962 valuation | 129 | | | (7) | (122) | — |
| 1968 valuation | — | | | | 255 | 255 |
| | <u>£1,233</u> | <u>161</u> | <u>31</u> | <u>(20)</u> | <u>10</u> | <u>£1,415</u> |
| SHORT LEASE | | | | | | |
| Cost | 321 | 14 | 21 | | (156) | 200 |
| 1962 valuation | 259 | | | | (259) | — |
| 1968 valuation | — | | | | 341 | 341 |
| | <u>£580</u> | <u>14</u> | <u>21</u> | <u>—</u> | <u>(74)</u> | <u>£541</u> |
| Total Land and Buildings | <u>£39,070</u> | <u>1,519</u> | <u>1,535</u> | <u>(220)</u> | <u>(1,630)</u> | <u>£40,274</u> |
| Depreciation | 4,684 | 143 | 986 | (33) | (2,782) | 2,998 |
| | <u>£34,386</u> | | | | | <u>£37,276</u> |
| PLANT AND MACHINERY | | | | | | |
| DEPRECIATION BASIS | | | | | | |
| Cost | 36,597 | 1,535 | 3,679 | (800) | (2,841) | 38,170 |
| 1948 book value | 208 | | | (3) | | 205 |
| 1956 valuation | 407 | 68 | | (5) | | 470 |
| 1962 valuation | 5,535 | 623 | | (128) | (2,391) | 3,639 |
| 1968 valuation | — | | | | 2,643 | 2,643 |
| | <u>£42,747</u> | <u>2,226</u> | <u>3,679</u> | <u>(936)</u> | <u>(2,589)</u> | <u>£45,127</u> |
| Depreciation | 17,375 | 674 | 3,754 | (627) | (2,480) | 18,696 |
| | <u>£25,372</u> | | | | | <u>£26,431</u> |
| RENEWALS BASIS | | | | | | |
| Cost | 2,460 | | 997 | (11) | (3,446) | — |
| Book value | 236 | | | | | 236 |
| 1962 valuation | 14,275 | | | | (14,275) | — |
| 1968 valuation | — | | | | 16,506 | 16,506 |
| | <u>£16,971</u> | <u>—</u> | <u>997</u> | <u>(11)</u> | <u>(1,215)</u> | <u>£16,742</u> |
| SHIPS, TUGS, BARGES & SMALL CRAFT | | | | | | |
| Cost | 10,282 | 13 | 8,322 | (1,464) | (51) | 17,102 |
| 1962 valuation | 6,569 | | | (1,134) | (919) | 4,516 |
| 1963 valuation | 2,837 | | | | | 2,837 |
| 1968 valuation | — | | | | 503 | 503 |
| | <u>£19,688</u> | <u>13</u> | <u>8,322</u> | <u>(2,598)</u> | <u>(467)</u> | <u>£24,958</u> |
| Depreciation | 6,445 | 10 | 1,285 | (730) | (250) | 6,760 |
| | <u>£13,243</u> | | | | | <u>£18,198</u> |
| ASSETS UNDER CONSTRUCTION at cost | <u>£5,736</u> | 245 | (1,898) | | | <u>£4,083</u> |
| OTHER ASSETS at valuation | <u>£206</u> | 1 | | (20) | | <u>£187</u> |
| TOTAL FIXED ASSETS | | | | | | |
| Cost or valuation | <u>£124,418</u> | 4,004 | 12,635 | (3,785) | (5,901) | <u>£131,371</u> |
| Depreciation | <u>28,504</u> | 827 | 6,025 | (1,390) | (5,512) | <u>28,454</u> |
| | <u>£95,914</u> | | | | | <u>£102,917</u> |

The fixed assets of the Tate & Lyle Refineries Group were revalued during the year. Buildings, plant and machinery were valued by the Directors using independent cost indices. The valuation of land was based on a valuation made by Chartered Surveyors.

| | 1968 £000 | 1967 £000 |
|---|----------------|----------------|
| 8. INTEREST IN SUBSIDIARY COMPANIES | | |
| Shares | 81,196 | 82,548 |
| Amount owing by subsidiary companies..... | 15,079 | 13,449 |
| | 96,275 | 95,997 |
| Amount owing to subsidiary companies..... | 9,589 | 10,803 |
| | <u>£86,686</u> | <u>£85,194</u> |
| 9. INVESTMENTS | | |
| TATE & LYLE, LIMITED | | |
| Quoted—Market value £354 (1967, £268)..... | 457 | 440 |
| Unquoted—Directors' valuation £2,940 (1967, £2,802)..... | 3,366 | 3,360 |
| | <u>£3,823</u> | <u>£3,800</u> |
| GROUP | | |
| Quoted—Market value £1,288 (1967, £1,468)..... | 1,321 | 1,630 |
| Unquoted—Directors' valuation £5,222 (1967, £4,888)..... | 5,285 | 5,244 |
| | <u>£6,606</u> | <u>£6,874</u> |
| 10. DEVELOPMENT EXPENDITURE | | |
| Development expenditure will be written off against future earnings over an extended period of years after the raw sugar estate in Zambia has come into production. | | |
| 11. CURRENT ASSETS | | |
| TATE & LYLE, LIMITED | | |
| Debtors and prepayments..... | 219 | 193 |
| Cash at bank..... | 25 | 21 |
| | <u>£244</u> | <u>£214</u> |
| GROUP | | |
| Stocks including net forward commitments..... | 31,277 | 30,820 |
| Taxation on Stocks ; Adjustment Account..... | (582) | (359) |
| Debtors and prepayments..... | 30,599 | 22,605 |
| Future crops expenditure..... | 1,921 | 1,521 |
| Short term deposits..... | 2,309 | 2,274 |
| Notes and bills receivable..... | 4,138 | 5,876 |
| Cash at banks and in hand..... | 2,997 | 1,043 |
| Differences on inter-Group balances due to varying accounting dates..... | 307 | 169 |
| | <u>£72,966</u> | <u>£63,949</u> |
| Less: Current Liabilities (note 12)..... | 53,494 | 51,816 |
| Net Current Assets | <u>£19,472</u> | <u>£12,133</u> |

STOCKS

Raw and Refined Sugar

In the United Kingdom a fixed tonnage equivalent to 300,000 tons of raw sugar has been valued at a base raw price of £23 per ton, and in Canada a fixed tonnage of 50,000 tons has been valued on the basis of a raw sugar price of £21 10s. 0d. per ton. The valuation of the refined sugar element of the base stock includes cost of production. Any excess over these base tonnages is valued at the lower of cost or market price. The market price of raw sugar at 30th September, 1968 was £17 5s. 0d. per ton. Stocks held by the raw sugar producing companies are valued at or under cost.

Molasses

All stocks are valued at the lower of cost or net realisable value. The cost of blackstrap molasses is determined by Last in First out method; the cost of other molasses is determined by First in First out method.

Other Stocks

Valuation is at or under cost.

NOTES TO THE BALANCE SHEETS *continued*

| | 1968 £000 | 1967 £000 |
|---|----------------|----------------|
| 12. CURRENT AND DEFERRED LIABILITIES AND PROVISIONS | | |
| TATE & LYLE, LIMITED | | |
| Taxation..... | 24 | 123 |
| Bank loans and overdrafts..... | 8,273 | 12,326 |
| Short term loans..... | 50 | 50 |
| Creditors and accruals..... | 682 | 716 |
| Proposed Ordinary dividends—gross..... | 3,278 | 2,935 |
| Current Liabilities | 12,307 | 16,150 |
| Deferred Liability | | |
| Bank loans..... | 357 | — |
| Less: Medium term debtor..... | 357 | — |
| Provision | | |
| Contingent liabilities on termination of Chirundu Sugar Estates Limited..... | 46 | 420 |
| | £12,353 | £16,570 |
| GROUP | | |
| Taxation..... | 2,892 | 2,572 |
| Bank loans and overdrafts..... | 17,437 | 20,384 |
| Short term loans..... | 206 | 164 |
| Bills payable..... | 5,703 | 6,661 |
| Creditors and accruals..... | 23,825 | 19,093 |
| Proposed Dividends: | | |
| Outside shareholders of subsidiary companies..... | 153 | 7 |
| Holders of Tate & Lyle, Limited Ordinary stock—gross..... | 3,278 | 2,935 |
| Current Liabilities | 53,494 | 51,816 |
| Deferred Liabilities | | |
| Corporation Tax payable after 30th September, 1968..... | — | 3,032 |
| Bank loans..... | 357 | — |
| Less: Medium term debtor..... | 357 | — |
| Provisions | | |
| Renewal of Plant and Machinery: | | |
| Tate & Lyle Refineries Limited—net of tax..... | 1,946 | 2,152 |
| John Walker & Company (Sugar Refiners) Limited..... | 226 | 272 |
| These figures represent the excess at 30th September, 1968, of amounts provided out of trading profits for the renewal of Plant and Machinery over the actual expenditure | | |
| Ships surveys and repairs..... | 1,226 | 947 |
| Contingent liabilities on termination of Chirundu Sugar Estates Limited..... | 46 | 420 |
| Pension schemes..... | 77 | 57 |
| | £57,015 | £58,696 |

13. ASSETS CHARGED BY WAY OF SECURITY FOR LOANS AND OVERDRAFTS

Bank loan and overdraft facilities totalling R£572,130 to Rhodesia Sugar Refineries Limited are secured by mortgages over that company's industrial land and buildings and a collateral bond over movable assets. At 30th September, 1968, R£293,897 had been advanced.

Bank loan and overdraft facilities totalling £150,000 to Computer Service and Printery Limited are secured by a charge over the assets of that company. At 30th September, 1968, £148,282 had been advanced.

A loan of K69,368 from the Security Building Society to The Zambia Sugar Company Limited is secured by a first mortgage over certain of the residential property of that company.

14. CONTINGENT LIABILITIES

There are contingent liabilities in respect of

- (a) Customs bonds and guarantees, bills under discount, letters of credit, facility letters, guarantees under a scheme for the purchase of houses by employees, and guarantees of rentals payable under container leasing contracts.
- (b) The guarantee of the principal plus a premium of 1 per cent. and interest on the £1,818,182 $5\frac{1}{2}$ per cent. Debenture Stock of Sugar Line Limited.
- (c) The guarantee of the principal and interest on the K6,000,000 $8\frac{1}{2}$ per cent. Convertible Unsecured Loan Stock 1982/86 of The Zambia Sugar Company Limited of which K1,501,000 is held within the Group.
- (d) Guarantees of bank overdrafts to certain subsidiary companies up to a total of £7,322,797 of which £5,200,066 had been advanced at 30th September, 1968.
- (e) Guarantees of loans to subsidiary companies up to a total of £6,000,000 of which £5,988,951 had been advanced at 30th September, 1968.
- (f) The guarantee of a loan to an associated company of £525,000 of which £325,000 had been advanced at 30th September, 1968.
- (g) The uncalled liability of £45,000 on an unquoted investment.
- (h) An action claiming damages of Canadian \$9,129,000 for alleged breach of contract which has been commenced against Canada and Dominion Sugar Company Limited following the closure of its beet sugar division. This claim, to which in the opinion of Counsel, that Company has a good defence, is being vigorously contested and may not be resolved for several years.

15. CONTRACTS FOR CAPITAL EXPENDITURE

| 1968 | 1967 |
|------|------|
| £000 | £000 |

Contracts for capital expenditure for which no provision is made in the accounts are estimated at

| | | |
|---------------------------|--------|---------------|
| Tate & Lyle, Limited..... | Nil | <i>Nil</i> |
| Subsidiary Companies..... | £1,647 | <i>£8,337</i> |

Expenditure authorised by the Directors but not contracted for is estimated at

| | | |
|---------------------------|--------|---------------|
| Tate & Lyle, Limited..... | Nil | <i>Nil</i> |
| Subsidiary Companies..... | £7,280 | <i>£3,411</i> |

16. SUBSIDIARY COMPANIES

Particulars of trading subsidiary companies are given on pages 26 to 28. Those companies in the United Kingdom concerned in the refining, distribution and shipping of sugar, and the principal engineering and technical companies have drawn up accounts for a period of fifty-two weeks ended 28th September, 1968. The financial year of all other companies ends on 30th September, except Caroni Limited and The Zambia Sugar Company Limited, whose accounting periods end on 30th June and 31st March respectively, both being governed by the cane sugar harvest period. Particulars of the non-trading subsidiary companies will be included in the forthcoming Annual Return.

No accounts of the subsidiary company in Indonesia are available for consolidation. In the opinion of the Directors any profits or losses omitted are negligible.

17. FOREIGN CURRENCIES

These have been converted at the rates ruling at 30th September, 1968.

REPORT OF THE AUDITORS
TO THE MEMBERS OF TATE & LYLE, LIMITED

We have examined the accounts and notes set out on pages 14 to 23 and 26 to 29, and the statement of emoluments of directors and other employees on page 12 of the report of the directors. The group accounts incorporate the accounts of some subsidiaries audited by other firms.

In our opinion the accounts, notes and statement comply with the Companies Acts 1948 and 1967, and together give, so far as concerns members of the company, a true and fair view of the state of affairs at 30th September, 1968 and of the profit for the year ended on that date.

EDMUND D. WHITE & SONS
Chartered Accountants

LONDON 14th February 1969

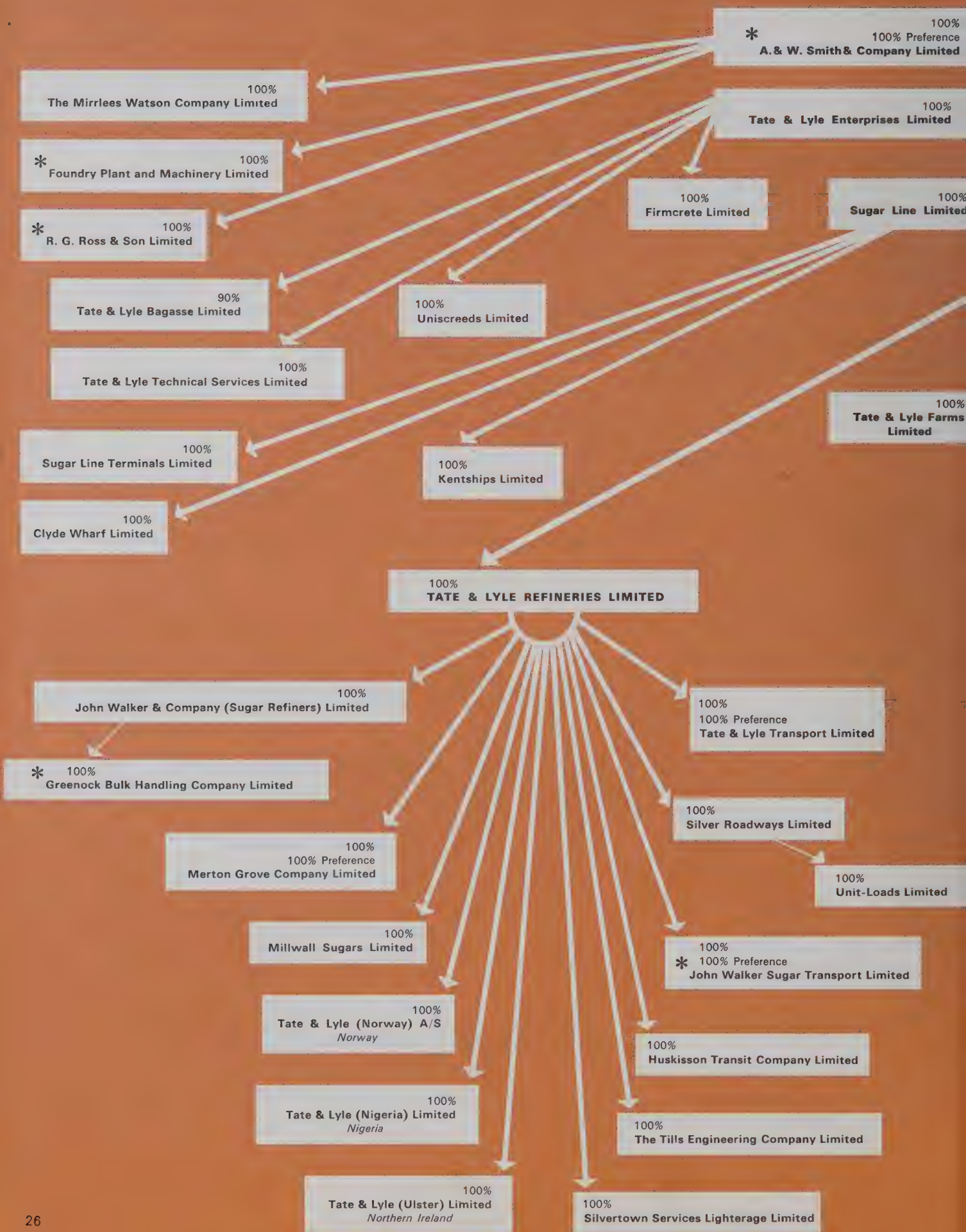
SOURCE AND USE OF FUNDS

| | |
|--|----------------|
| Source of Funds | £000 |
| Profit retained..... | 3,518 |
| Depreciation charged against profit..... | 6,689 |
| Net additional long term finance..... | 5,913 |
| Investment and other capital grants..... | 1,700 |
| Realisation of investments..... | 1,154 |
| Provision for deferred taxation..... | 1,830 |
| | <u>£20,804</u> |
| Use of Funds | |
| Net expenditure on fixed assets and development..... | 11,095 |
| Repayment of short term borrowing..... | 4,000 |
| Additional working capital..... | 5,709 |
| | <u>£20,804</u> |

TATE & LYLE, LIMITED
GROUP FINANCIAL STATISTICS

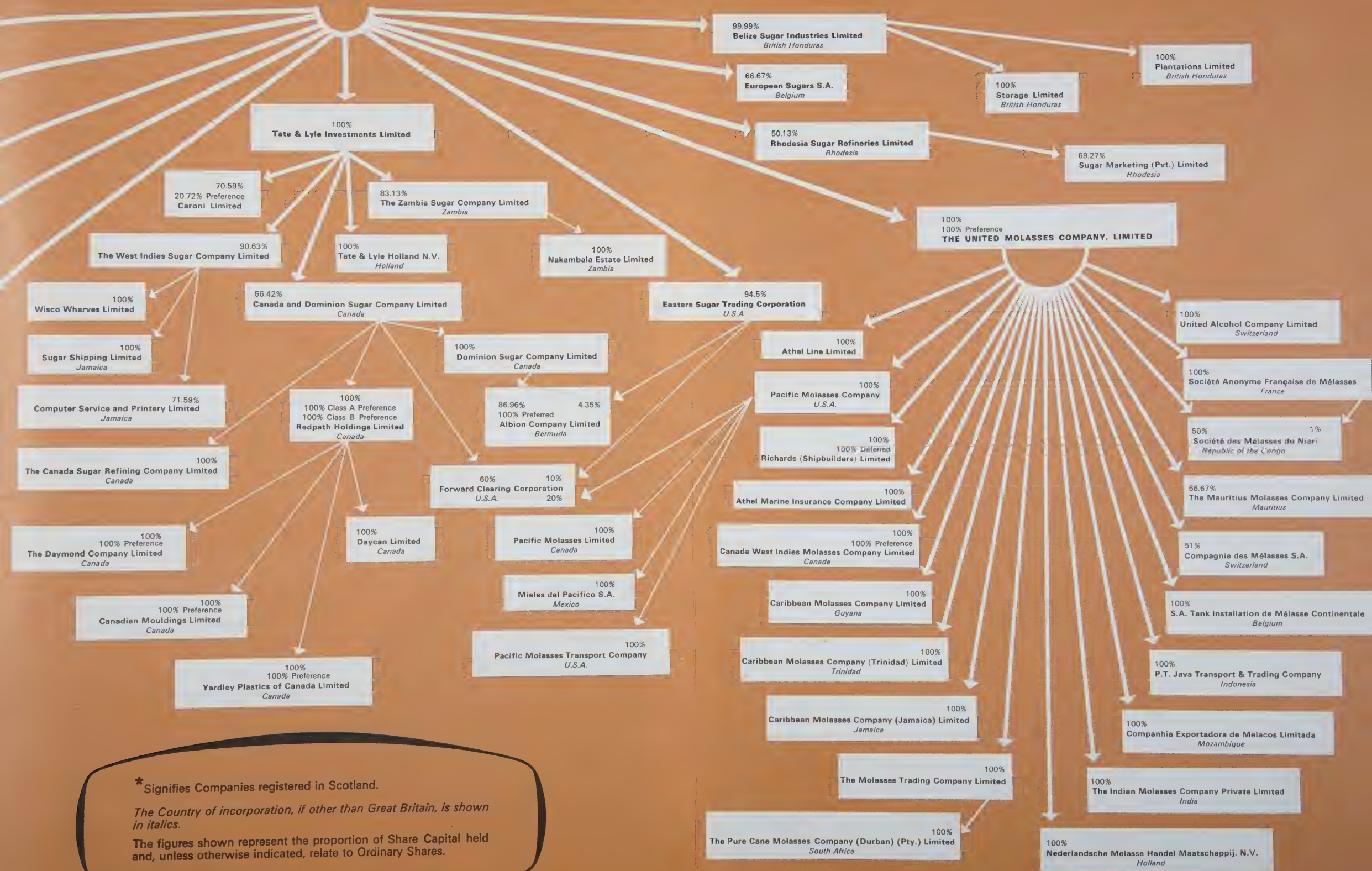
£000

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 |
|---|---------|---------|---------|---------|---------|----------|----------|----------|
| Capital Employed: | | | | | | | | |
| ORDINARY STOCKHOLDERS' FUNDS: | | | | | | | | |
| Issued Capital | 21,175 | 21,175 | 21,175 | 29,645 | 36,681 | 36,681 | 36,681 | 40,971 |
| Capital Reserves | 7,165 | 13,810 | 14,056 | 10,660 | 12,206 | 12,431 | 11,137 | 16,075 |
| Revenue Reserves | 9,663 | 10,501 | 12,439 | 8,872 | 10,927 | 11,130 | 11,482 | 13,901 |
| Investment Grants Equalisation | — | — | — | — | — | 446 | 1,000 | 2,632 |
| Total Ordinary Stockholders' Funds | 38,003 | 45,486 | 47,670 | 49,177 | 59,814 | 60,688 | 60,300 | 73,579 |
| ISSUED PREFERENCE CAPITAL | 1,144 | 1,144 | 1,144 | 1,144 | 2,394 | 2,394 | 2,394 | 2,394 |
| INTEREST OF OUTSIDE SHAREHOLDERS OF SUBSIDIARY COMPANIES | 9,954 | 11,709 | 12,515 | 13,387 | 10,023 | 10,295 | 10,827 | 12,265 |
| LOAN CAPITAL | 13,270 | 14,146 | 14,067 | 13,987 | 23,981 | 25,243 | 30,928 | 31,427 |
| FUTURE TAXATION | 2,954 | 3,190 | 7,166 | 3,351 | 3,701 | 4,152 | 4,929 | 7,874 |
| | £65,325 | £75,675 | £82,562 | £81,046 | £99,913 | £102,772 | £109,378 | £127,539 |
| Represented by: | | | | | | | | |
| FIXED ASSETS | 54,534 | 65,960 | 65,738 | 68,801 | 88,674 | 92,248 | 95,914 | 102,917 |
| INVESTMENTS | 2,747 | 194 | 513 | 920 | 2,567 | 4,576 | 6,874 | 6,606 |
| DEVELOPMENT EXPENDITURE | — | — | — | — | — | 604 | 1,337 | 2,065 |
| CURRENT ASSETS (less Liabilities and Provisions) | 8,044 | 9,521 | 16,311 | 11,325 | 8,672 | 5,344 | 5,253 | 15,951 |
| | £65,325 | £75,675 | £82,562 | £81,046 | £99,913 | £102,772 | £109,378 | £127,539 |
| PROFIT ATTRIBUTABLE TO MINORITY INTERESTS: | | | | | | | | |
| Retained | 446 | 349 | 667 | 502 | 298 | 170 | 191 | 651 |
| Distributed | 311 | 391 | 591 | 550 | 360 | 309 | 360 | 558 |
| | 757 | 740 | 1,258 | 1,052 | 658 | 479 | 551 | 1,209 |
| PROFIT ATTRIBUTABLE TO PARENT COMPANY: | | | | | | | | |
| Retained | 1,852 | 1,201 | 1,961 | 1,782 | 1,961 | 237 | 1,127 | 2,867 |
| Net Dividends to Stockholders: | | | | | | | | |
| Preference | 46 | 46 | 46 | 46 | 68 | 92 | 92 | 92 |
| Ordinary | 1,530 | 1,556 | 1,790 | 1,816 | 2,072 | 2,155 | 2,155 | 2,407 |
| Income Tax payable to Inland Revenue | — | — | — | — | — | 1,198 | 1,577 | 1,754 |
| Net Profit after providing for Taxation | £4,185 | £3,543 | £5,055 | £4,696 | £4,759 | £4,161 | £5,502 | £8,329 |
| | % | % | % | % | % | % | % | % |
| GROSS ORDINARY DIVIDEND: | | | | | | | | |
| Per cent. of Issued Ordinary Capital | 11.8 | 12.0 | 13.8 | 10.0 | 9.6 | 10.0 | 10.0 | 10.0 |
| Per cent. of Ordinary Stockholders' Funds .. | 6.6 | 5.6 | 6.1 | 6.0 | 5.9 | 6.0 | 6.1 | 5.6 |



THE TATE & LYLE GROUP

HOLDING COMPANY
TATE & LYLE, LIMITED



* Signifies Companies registered in Scotland.

The Country of incorporation, if other than Great Britain, is shown in italics.

The figures shown represent the proportion of Share Capital held and, unless otherwise indicated, relate to Ordinary Shares.

A. & W. SMITH & COMPANY LIMITED

THE MIRPLEES WATSON COMPANY LIMITED

TATE & LYLE TECHNICAL SERVICES LIMITED

TATE & LYLE ENTERPRISES LIMITED

THIS quartet of Group companies operates together in a specialised association, for they are engaged in designing, manufacturing and selling machinery and plant—often complete factories—to the sugar industry of the world.

Their business is almost one hundred per cent export. After securing recently a £7.8 million raw sugar factory contract for the Philippines, Smith's and Mirplees estimate export work in hand at more than £20 million.

There is keen international competition in the selling of sugar machinery and design, and it is especially satisfactory that these engineering and technical consultancy companies are a section of the Group showing a steadily rising record of earnings.

SMITH'S and MIRPLEES are names that have been known in the sugar producing world for over 130 years.

The brothers Alexander and William Smith set up business as millwrights in 1837, and turning to account the long-established trading connections between Glasgow and the West Indies, it was in that area that they looked for their first markets. The Mirplees Watson Company too, had a Clydeside origin at about the same date as Smith's, and before long its products were carrying the name to the sugar industries of India, South Africa, South America and other countries. Clearly the machinery of those days was built to last for it is possible today to find small mills in working condition which were supplied by the two companies over a century ago.

The Smith's and Mirplees workshops are sited in Glasgow, the centre of the heavy engineering of the Clyde Valley and West of Scotland. Here are manufactured the heavy cane crushing mills or 'tandems' (the number one item of a raw sugar factory) and many other pieces of plant fundamental to a factory installation. When a contract calls for the supply of a complete plant, Smith's/Mirplees function as the main contractors for an operation which may involve as many as thirty to forty different sub-contractors.

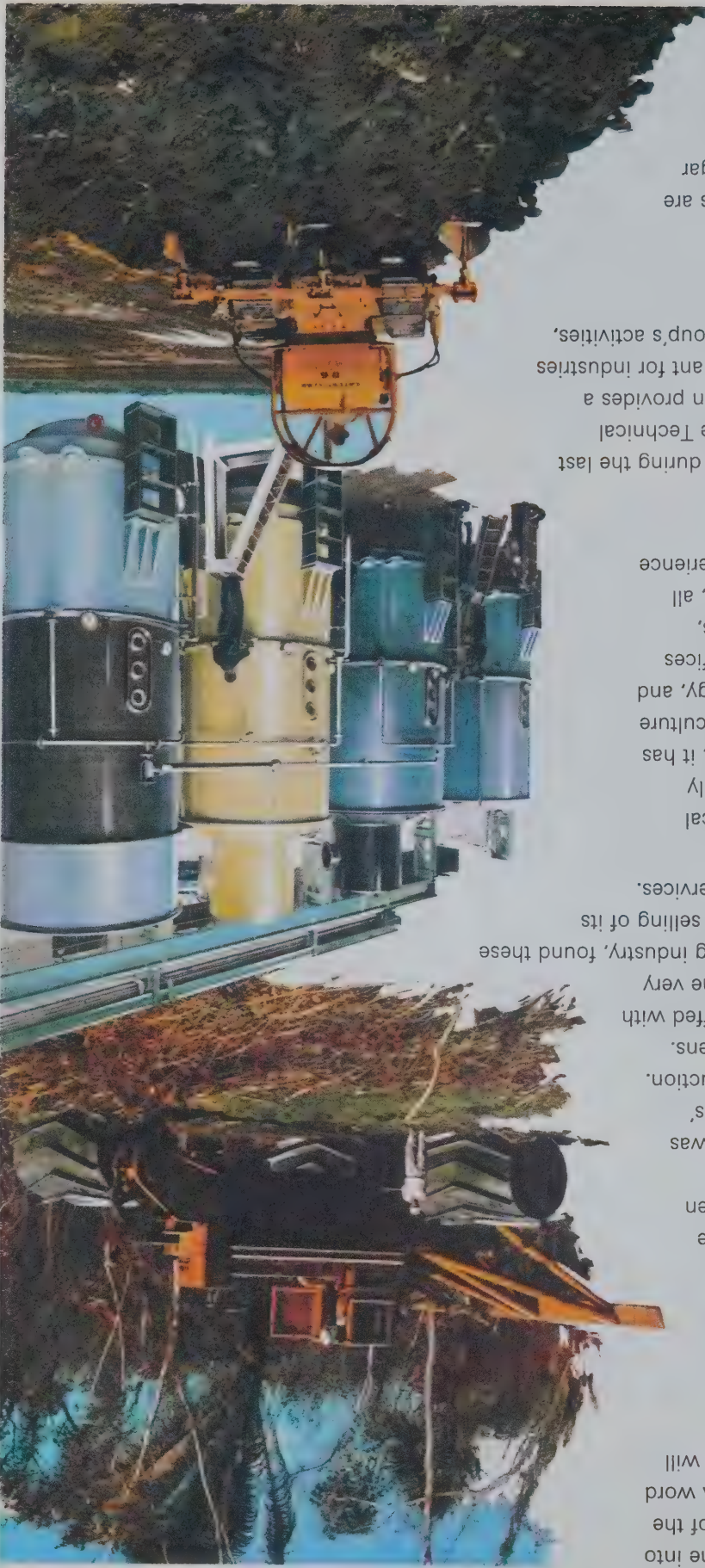


Tate & Lyle Technical Services came into being in 1950, when the business of the Group was mainly sugar refining. A word on post-war overseas development will help explain the evolution of this Company. Since the end of the last war, developing countries have tended to foster their own home industries in order to replace foreign imports. The sugar industry has seen the effect of these developments; as, for example, when the high level of U.K. refined sugar exports reached in the mid-1950's was affected by the developing countries' promotion of their own sugar production. But as one door closes, another opens. Tate & Lyle Technical Services, staffed with technicians whose background is the very large-scale and modern U.K. refining industry, found these changes to be opportunities for the selling of its design and technical consultancy services.

Although in its earlier years Technical Services dealt in matters most closely connected with refining techniques, it has expanded its scope to embrace agriculture and raw sugar production technology, and today its facilities include design offices and a staff of agronomists, chemists, chemical and mechanical engineers, all men with many years' practical experience in the sugar industry.

Tate & Lyle Enterprises was formed during the last year. It is the parent company of the Technical Services organisation, but in addition provides a base for the design and supply of plant for industries more loosely associated with the Group's activities, such as processing of sugar beet and distilling.

The services which these companies are selling cover every aspect of the sugar industry. The most comprehensive kind of contract may well start with an ECONOMIC FEASIBILITY STUDY. Is a proposed scheme sound? Would it be profitable?



If so, how soon? If an enquiry embraces sugar growing either as an expansion or a first start on virgin soil, AGRICULTURAL studies will follow. Company agriculturists will consider and report on land utilisation, crop nutrition, weed and insect control, irrigation and drainage, mechanical harvesting and crop transport, and every aspect of field management.

Once a scheme is judged viable and is to go ahead, preliminary DESIGN and SPECIFICATION of plant is undertaken. Perhaps a raw sugar factory with a refining end is called for. Types of process will be recommended and special plant may be designed to meet particular local requirements. PROCUREMENT and SUPPLY of plant means shipping and transport, with some items coming forward from Glasgow or elsewhere in the U.K. and perhaps some supplied in the country of erection. Civil engineers will erect and install plant, employing local labour under the supervision of Company engineers. Finally, when the plant has been commissioned, Company staff will continue the training of local personnel for as long as may be required.

So far we have been speaking of the 'physical' operations—the design—getting the plant—putting it up—setting it to work. But this is an international trade and the commercial arrangements also need to be made—financing, problems of currency, purchasing and shipping. When all has been said and done, it is very often the financial terms—price and credit—which secure the order.



SOME RECENT AND CURRENT WORK

RAW SUGAR

| | | |
|---------|------------|--|
| 1963/65 | Mexico | 5 complete mill tandems for various customers. |
| 1965 | Pakistan | Complete cane sugar factory producing white sugar 1500/2000 tons cane/day. |
| 1966 | Rhodesia | Complete cane sugar factory for Hippo Valley Estates Ltd.—6000 tons cane/day. |
| 1967 | Mozambique | Extensions to Sena Sugar Estates factories. |
| 1968 | Zambia | Complete cane sugar factory for Zambia Sugar Company, 2400/4500 tons cane/day. |

Currently:

| | |
|-------------------|--|
| Venezuela | Complete cane sugar factory with Phosphatation refinery for Central Portuguesa, 3000/6000 tons cane/day. |
| Panay-Philippines | £7.8 million contract. Complete raw sugar factory 4000 tons cane/day, with agricultural development. |

REFINERIES

| | | |
|------|---------------------|--|
| 1965 | Ilorin-Nigeria | Complete cube-making factory for Tate & Lyle (Nigeria) Limited. |
| 1966 | Louisiana-U.S.A. | Decolourisation plant for J. Aron & Co.'s Supreme Sugar Refinery. |
| 1966 | Mozambique | Carbonatation refinery for Sena Sugar Estates Ltd. |
| 1967 | Transvaal-S. Africa | Maromieu factory. Carbonatation refinery for Transvaalse Suiker-korporasie Beperk. |

Currently:

| | |
|--------------------|--|
| Boston-U.S.A. | Complete modernisation of refinery for Revere Sugar Refinery. |
| U.S.A. | Recommendations for five refineries of an American sugar company. |
| Portugal | Modernisation and supply of plant in three of the four Portuguese refining groups. |
| Negros-Philippines | Carbonatation and filtration stations for Victorias Milling Company Inc. |

STUDIES & SURVEYS

| | |
|-------------|---|
| Ghana | Survey of sugar industry. |
| Philippines | Complete survey of refining operations in connection with expansion of capacity and modernisation of large refinery organisation. |
| Zambia | Four-year development plan for the sugar industry. |
| Uganda | Survey of field and factory organisation for a raw sugar factory. |
| Ethiopia | Survey of utilisation of sugar cane by-products. |

World consumption of sugar increases at the rate of roughly 3 per cent. per annum. Some of this arises from population increase, and some from rising standards of living. It is a trend which points to the market ahead for our sugar engineering and technical service companies.



CHIREDDI SUGAR FACTORY
nearing completion in 1966 for
Hippo Valley Estates Limited, Rhodesia

Consultants—
Tate & Lyle Technical Services

Main Contractors and Suppliers
of Machinery—A. & W. Smith

Only a roof and some wall cladding remain to be added to complete eighteen months' work.
The skeletal structure in the foreground rising up from a concrete apron carries overhead travelling cranes, receiving and handling cut cane during the crop.
Beyond the buildings stand fields of growing cane surrounding the factory water supply; just visible through the haze lies the edge of Chiredzi town.

